

APPROVED OCTOBER 14, 2009

At 7:08 PM Chairman Charles Kimball called the meeting to order. Budget Committee members present were Charles Kimball, Andy Kohlhofer, Michael Nygren, Laurie Allore (formerly Leveille), Selectman Greta St. Germain, School Board Member Peg Pinkham, Town Administrator Heidi Carlson, and Recording Secretary Jeanne Nygren. Members of the public present were School Board Member Ida Keane.

A motion to approve the minutes of the September 23, 2009 meeting was made by Kohlhofer with one correction on page 13, this was seconded by Nygren. Pinkham abstained as she was unable to read the minutes due to computer problems. The vote was 5-0 in favor.

Carlson passed out the agenda for the meeting tonight and the Committee reviewed this agenda. At this time a recommendation from the Selectmen has not been made on the Library budget as there was not a full Board when they met with the Library and their Trustees last week.

While going through the 4323 Solid Waste Collection budget Kohlhofer commented on the reduction in cost for tonnage for the last couple of years and the Town being back to 1997 levels. Carlson said this is due to the totor system that has been put into place. Kohlhofer looking at 2008 tax rate release information and with the total spending on the Town and School, he feels this means that tax base is not growing fast enough to meet our fiscal needs and if there continues to be a decline, then we are in serious financial trouble. Kohlhofer is looking at revenue projections of the budgets that are already submitted and the revenues are down. Pinkham wanted to know what the Budget Committee's legal obligations are. She was referring to RSA 32 and the handout a few weeks ago from the LGC Workshop. Kohlhofer said taxes are going up because our tax base doesn't meet the fiscal needs of the Town. Carlson doesn't feel this is the only reason. Kohlhofer thought that it is the major reason.

Pinkham stated that Claremont and Franklin are looking into a tax rate cap, and they are declaring bankruptcy. Carlson said they are both cities and their set up is different than Fremont. Pinkham said by capping out it is a concern. Pinkham asked are we looking at individual budgets or looking for a lump sum of money in the Committee's recommendation. Nygren asked if we could pick this conversation up after the Library budget is done as the whole membership was present and ready to go through their budget.

At 7:20 PM Library trustees Meredith Patrick and Eric Abney; and Librarian Barbara Bassett came to the table to discuss the Library budget. Barbara Bassett started to go through these figures with the Budget Committee. As a recap she is just maintaining last year's budget (2008-2009) with the exception of the Wage line which represents an increase due to minimum wage rate of pay changing under the Law as well as a 4% COL. She reviewed all the line items that are listed below.

Please note that we have maintained last year's budget (which is, in fact, the 2008 budget) with the exception of the Wage line. This line represents a 4% increase plus a \$200 total allotment for the increase in minimum wage for the second half of 2010. Minimum wage increased to \$7.25 as of 07/24/2009; anticipating the increase for July 2010 to \$8.50.

1-4550-001 WAGES**\$56,023**

Current Library Staff includes:

Library Director	\$13.50 hour generally 10-12 hours/week
Children's Librarian	\$12.95 hour generally 26-28 hours/week
Young Adult Librarian	\$12.52 hour generally 25-27 hours/week
Aide	\$12.09 hour generally 15-17 hours/week
Page	\$7.25 / \$8.50 hour as of July 2010 generally 6-8 hours/week

Trustees have proposed to increase these wages by 4%.

1-4550-002 BOOKS & MEDIA MATERIAL \$18,000

This request is the same as it has been for the past 7 years. Includes the purchase of all media material (books, audio books, etc)

1-4550-003 OFFICE & BOOK PREP SUPPLIES \$3,000

This is the same as last year and includes all office supplies, book cataloging and prep supplies, printer cartridges, paper, etc.

1-4550-004 SPECIAL CHILDREN'S PROGRAMS \$2,500

During the Summer Reading Program, 60 children participated from start to finish (6 weeks), and many more attended the special weekly programs. We are also now including some other special programs at the holiday seasons. This includes all of the craft supplies for the programs, as well as theme items related to the SRP.

1-4550-005 DUES & PERIODICALS \$300

This includes annual dues for Trustees to the NH Library Trustee Association; and our subscriptions to periodicals.

1-4550-050 COMPUTER MAINTENANCE & REPAIR \$3,300

This covers all monthly technical support for all library computer systems. It is done by contract with Seacoast IT on a monthly payment schedule.

1-4550-051 COMPUTER SOFTWARE \$ 800

Annual cost of web site hosting \$500; Annual cost of Downloadable Books Program.

1-4550-060 REPLACEMENT EQUIPMENT \$2,000

This was included beginning in 2008 at the suggestion of the Budget Committee as our computers are aging. It was thought that we could replace one per year (\$2,000).

1-4550-101 TELEPHONE \$900

Same as last year. Covers two phone lines to the Library (phone and fax). There is no charge for internet at libraries.

1-4550-102 ELECTRICITY \$6,500

Same as last year.

1-4550-103 FURNACE and OIL \$7,000

Covers all oil usage in the building and annual cleaning of all furnaces.

1-4550-105 BUILDING MAINTENANCE \$6,500

This line item covers all daily care and cleaning of the Library (approx 10-12 hours per week); water systems and sprinkler maintenance, lighting fixtures and all necessary maintenance items and cleaning supplies (as well as consumables)

TOTAL REQUEST**\$106,823**

The total budget increase is \$2347.00. Allore then asked how many hours a week the library is open and about how many residents use the Library. Bassett said 35 hours a week and that circulation is 20,000 people annually. Allore asked about groups coming in that use the room that is available and if there is a charge. Carlson explained that if this is an outside activity and not a local or not for profit group then there is a \$25.00 fee.

Nygren asked looking at wages and the percentage spent in past years, and asked why look for a raise when you haven't spent the total appropriation in the past. The figure represents 3/4 of the year being done. Bassett thinks because maybe there has been more vacation time and she also tries to keep some

available in case she needs to use this money in another line. Pinkham asked if there was a special time during the year that the library is busier. Is there a way to estimate what the end of the year total would be by using what has been used during the year? Bassett didn't have the exact answer to this question at this time.

Nygren asked if she can project the amount of hours for the rest of the year. Bassett can tell the hours are going to be the same. \$2,291.00 is a two week payroll figure times 5 pay periods left in the year, and this would bring their salary total up to \$51,000. Kohlhofer said the last 2 months of the year they spent \$3500 a month and had a full complement. Pinkham said with 6 more pay periods then her budget is at about \$53,000. Nygren said they will be still \$2000 under than what was requested last year. Carlson will put together the current wage data for the Committee and have it available as soon as possible.

Pinkham asked if Seacoast IT is a company that specializes in computers. Bassett said this is a sole proprietor's business. Pinkham said the School had a full time IT specialist and that they cut to part time. Pinkham asked for the hours according to the wage of this IT specialist. Pinkham said her field is Computer Networking Services and she can order non profit license items at cost and pass this savings on. She encourages department heads to look for the lowest bid possible. Pinkham can look at this bid and tell them if they are getting a good deal. Carlson's concern is that the systems were all built by different people. Pinkham can save up to 7% off in buying power by using discount pricing.

St. Germain asked if they were in the process of purchasing. Bassett said not at this time. Pinkham asked if they collaborate with other public Libraries on doing programs such as doing haunted houses. Bassett said the Friends of the Library came to the Trustees last meeting, and they are working on different projects.

Allore asked what the cost for a Library card is. Bassett said \$35.00 for non residents, and there is no charge for residents by State law. Allore thought they maybe should consider raising up their fee compared to what other Libraries charge. Eric Abney felt that these libraries have a lot more to offer the public than ours. Allore asked if there are a lot of teenagers going into the Library, and she asked what the Page does. Bassett said quite a few teenagers come into the library and there is a book section for their age category. Bassett said the Page generally works on Saturday and she does book labeling, children returns which is usually large volume, clean up of the children's area, website cataloging and other miscellaneous jobs.

Kohlhofer asked where their revenues go. Carlson said they are kept in a separate fund. Bassett said these funds are usually from late fee charge or lost books charges. The Golf Tournament revenue and memorials go into the Trustee fund where funds come out for the Memorial Garden and other such projects. St. Germain asked where the income is shown. Carlson said if this is raised by the Association that they are a separate non-profit agency. Bassett said the auditor gets a printout of her checking account and all the collected money at the end of the year.

St. Germain asked if the telephones are bundled with the internet. Carlson said no. Internet in libraries is free in the State of New Hampshire.

There were no other questions for the Library Trustees and members and they were thanked by the Budget Committee. They left the meeting at 7:55 PM.

Nygren asked the rest of the Committee what they want to have for the process of how they are going to make their recommendations on budgets as they have reviewed quite a few budgets presented. Do they

want to take a week and make their recommendations rather than wait until the end and have all the budgets at that time? They decided they are going to take time in two weeks, when there will not be any Department Heads scheduled to come in, and go through the budgets they already have and make their recommendations. This was scheduled for October 28, 2009.

Carlson said the Police Department budget is pending for next week but she won't be able to confirm until next week as the Grass Drags are this weekend.

Kimball asked what the recommendations have been on raises for the Selectmen. St. Germain said they have not recommended any. Nygren asked has there been any further discussion by the Selectmen about closing the building one day a week due to the lack of revenue. Carlson said they talked about this a couple of times and what day are they considering closing. Nygren felt by doing this there could be a savings with reducing work hours. He isn't suggesting taking benefits away from anyone, but cutting the hours down in wages.

4323 SOLID WASTE COLLECTION

001 MSW Collection

\$216,00

The pickup (MSW and recycling) contract was rebid early in 2008. The contract was awarded just before the 2008 Town Meeting to Waste Management as the low bidder using the conversion to a toter disposal system. The goal of the system was to reduce tonnage and increase recycling, thus saving in tipping fees.

Contract includes weekly pickup of MSW (what fits in the toter) and all recyclables. The contract with Waste Management is for 5 years with a fixed 5% increase per year. There is also a fuel surcharge, which for the coming year is estimated to decrease the overall cost of the contract, thus the decrease. When the contract was negotiated and signed, we asked for the annual renewal date to be December 1st for budgeting purposes. This was done prior to the Town adopting SB2, and we have asked for information ahead of that date, as the Town's budget is slated to be finished prior to that date. Given the current economy and the fact that October and November fuel prices have gone down, that multiplier as estimated now, is expected to be sufficient, and depending on the fuel multiplier, may go down.

The adjustment for fuel is based on the increase or decrease of diesel fuel cost, as measured by the US Department of Energy, Energy Information Administration for the NE region, from the established baseline cost of \$3.55 per gallon (including taxes) of diesel fuel. The increase or decrease, as determined above, will be applied to the volume of fuel used, which will be fixed at 760 gallons per month. The fuel adjustment is based on the prior year December 1 through November 30.

The contract price in year one was \$205,500; which ran from April 1, 2008 to March 31, 2009. The contract price in year two with the 5% increase is \$215,775.

So, the budget for 2010 is based on three months (January through March 2010) at \$17,981.25 per month (\$53,943.75). For the other nine months of 2010, the price is \$18,880.31 per month (\$169,923). The fuel adjustment calculated at this time is -\$8,000; which would be subtracted from the annual contract. Thus the total anticipated expense on the contract in calendar year 2010 is \$216,000.

TOTAL REQUEST / RECOMMENDATION SOLID WASTE COLLECTION \$216,000

Carlson said this is the contract with WM that was signed in 2008 with a 5% increase on it and a fuel adjustment which can go up or down depending upon the cost of diesel fuel. Next year will probably be less and this is just an estimate. This is just the collection cost. The disposal is line item 4234 budget. The more recycling that is done the better. \$66.42 is the cost per ton for solid waste for tipping fees. In July 1, 2008 the toter program there was a drastic decrease in tonnage. Carlson budgeted for another 300 bins to have available for recycling.

4324 SOLID WASTE DISPOSAL

As we have discussed, conversion to the toter program has increased recycling and reduced tipped tonnage. This budget is calculated based on the 2008 and 2009 budgets and some additional assumptions about continuing trends in our solid waste and recycling stream for the coming year. Waste Management took over the Town of Fremont's MSW contract on April 1, 2008 and the toter program began on July 1, 2008.

Attached are current and historical information on tipping fees, tonnage of MSW and recycling. From this, we have arrived at the following budget figures for 2010.

1-4324-001 Turnkey Tonnage**\$ 101,000**

Based on 28 tons per week for 26 weeks using the current cost per ton of \$66.42 through 06/30/10 (\$48,354); and including a 3.25% CPI increase; and the \$0.65 per ton host fee from the City of Rochester; we are estimating \$69.22 per ton for the next Turnkey contract fiscal year 07/01/10 to 06/30/11 (\$50,392). The Bulky waste tonnage current rate is \$80.17 through 06/30/10; and estimated using the same formula as above would be \$83.42 per ton for the balance of 2010. Allowance for 35 tons annual of bulky waste.

1-4324-002 Recycling Bins**\$ 1,845**

In 2008 we reallocated \$2,750 from the tipping fees budget to purchase additional recycling bins (we ran out twice). We have purchased thus far 250 bins in 2009 at prices ranging from \$4.85 to \$6.15; and are pursuing grant reimbursement for ½ our costs. We are budgeting for an additional 300 bins in 2010 for a total cost of \$1,845.

1-4324-003 Bulk Recycling**\$ 9,000**

Includes cost of 14 roll-off containers at \$200/each, delivery and pick up and haul to Turnkey in Rochester \$5,600; done both in Spring and Fall drop-offs; Advanced Recycling 4-50 yard roll-off cans for steel (we pay the difference between revenue from steel/metals, and the cost for trucking the cans down and back) (\$2,000); removal of propane tanks \$200 annual; tire removal \$1,000; anticipating somewhat of an increase because no longer can bulk items be paid for separately at the curb. Bulky Day porta-toilet rental \$110 x 2 events.

1-4324-004 Recycling Publicity**\$ 1,000**

Cost represents printing and mailing cost of bi-annual Bulky Collection newsletter; as well as reproduction periodically of the recycling handouts and informational sheets. Mailer costs \$250 to print x 2; and \$250 to mail x 2.

1-4324-015 53-B Added Levy**\$ 5,000**

1997 - \$2,348; 1998 - \$3,164; 1999 - \$2,724; 2000 - \$2,935; 2001 - \$3,264; 2002 - \$3,193; 2003 - \$3,193; 2004 - \$3,411; 2005 \$3,411; 2006 - \$3,672; 2007 - 5,231; 2008 - \$7,882; 2009 - \$5,000. These are added funds paid to the Southeast Regional Refuse Disposal District 53-B (referred to as 53-B) for the costs to run the District, including the shortfall anticipated. All Towns are part of a regional refuse disposal district, which in our case, covers the contract negotiations with the Turnkey Landfill, public relations programs, the two annual hazardous waste drop-off days, and monthly meetings.

The SRRDD 53-B office has become a "virtual" office with a bookkeeper who is actually the bookkeeper for the Town of Rye; and a secretary who works for one of the other towns in the District. We are estimating the levy cost for 2010 (do not have budget actuals yet); assuming it will be less given the reduced office costs.

1-4324-035 Dues**\$ 250**

Annual renewal cost of membership in NH Resource Recovery Association, a members cooperative for recycling. Among other things, this organization helps with Bulky Day events in the marketing of recyclables. They are also the “home” to NH the Beautiful where we buy our recycle bins.

REVENUE Recycling income \$2,500

Estimated money collected at Bulky Day for propane tanks, tires, and return on scrap steel. Recycling income is down significantly at the time of the writing of this budget.

TOTAL REQUEST SOLID WASTE DISPOSAL \$118,095

Carlson spoke about Bulky Day and the need for volunteers and she also explained the Solid Waste Disposal budget to the Budget Committee. Hazardous Waste disposal is in September in Brentwood and in Hampton in the spring.

There were no questions on the Solid Waste Budgets.

Kimball asked regarding the default budget figure and the interest on the principle payments on debt. . Carlson said in the default she put what we actually need this year and not last years number. Carlson passed out the quarterly report that she emailed to the Committee along with the School report and also other budgets for the Committee.

Nygren asked in the Police Detail line the \$6000 and where the details were in Town. Carlson said this was for the JAG grant that was a total award of \$17,000. This is a federal grant for police equipment, networking system, replacement of UPS power sources, workstations and replacing portables. This money is taken out of details in order to get the grant money back and it was used from the Detail line. Carlson has a separate line listing monies as they are spent.

Nygren then asked about the collecting of unemployment money. Carlson said any number of people who work part time and have other full time jobs that get laid off, we have to pick up part of unemployment based on their salary. Nygren then asked will they pay back what the Town had to pay to unemployment when they get their stipends. Carlson said municipalities don't pay into this fund and that we pay on a claim basis. Nygren said they are still part time employees by the Town. Pinkham asked if Carlson has ever challenged this. Pinkham cited that the School District was billed when she was laid off by another employer, they challenged it and the School was reimbursed by the State. Pinkham said that the School pays into this unemployment fund. Carlson felt that maybe that is were the difference might be because the Town doesn't pay into this fund unless a claim is made.

Carlson wanted to know what other Department Heads the Budget Committee would want to come into meet with them. The Committee wanted the Town Clerk and Tax Collector to come in to review their budgets. Carlson will get their schedules and get back to the Committee when they are available. Nygren said the week of October 28th they are going to do review of budgets they already have and have the Committee make their recommendation.

A motion was made by Kohlhofer to adjourn the meeting at 9:05 PM. This was seconded by Nygren. The vote was unanimous 6-0. The next Budget Committee meeting is October 14, 2009 at 7:00 PM.

Respectfully submitted,

Jeanne Nygren
Recording Secretary